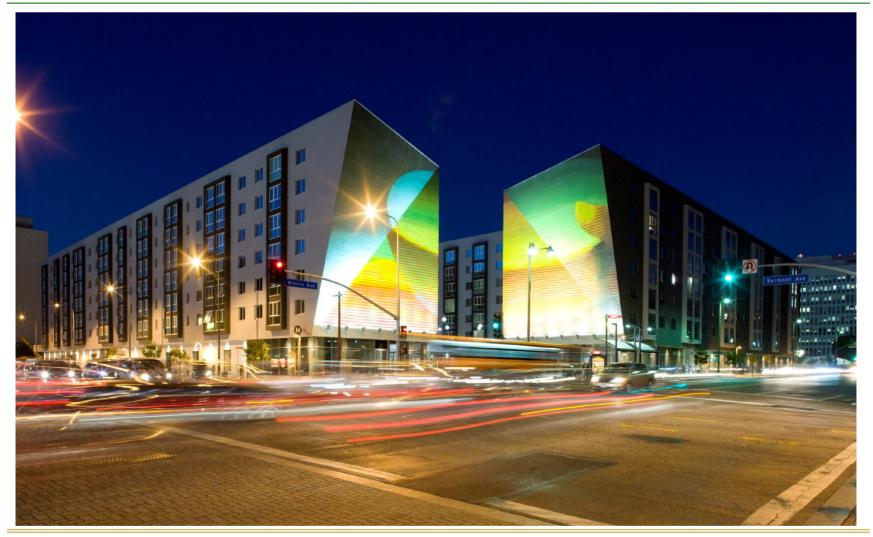
### Wilshire Vermont Station

Los Angeles, CA





### Justin Chapman

- Development and asset management services consultant
- Specialize in transitioning projects from construction to operations
- Development
   Manager with
   Urban
   Partners,
   LLC
   2002-2007
- Project and
  Asset
  Manager
  on Wilshire
  Vermont
  Station
  2002 –
  Present



### Urban Partners, LLC – TOD Mission

- Firm commitment to pursuing transit oriented developments.
- Company objective to develop sustainable, smart-growth communities with strong investment fundamentals.
- Developed one of first TOD projects in Greater Los Angeles area – Del Mar Station in Old Town Pasadena.
- Followed up with pursuit of NE corner of Wilshire Blvd. and Vermont Ave. in Los Angeles (Wilshire Vermont Station).
- Currently in various stages of development with TOD projects in Culver City and Seattle, WA.



### What is Wilshire Vermont Station?

#### Private Development Program

- Seven story structure, Type II modified construction
- 449 Apartments 359 market rate, 90 affordable
- 36,000 Square Feet Ground Floor Retail/Office Space
- 666 Subterranean Parking Spaces for Residents and Retail Patrons (no set aside for transit patrons)



### Site Plan





## Wilshire Elevation





# Residential Lobby





### **Ground Floor Retail**





### **Ground Floor Retail**





## **Ground Floor Retail**





### What is Wilshire Vermont Station?

#### **Transit Portion**

- Transit Hub Onsite transit patron access to Metro Redline and Metro Rapid bus stops
  - New transit portal
  - Retrofitted and relocated elevators and escalators
  - Way finding signage, map cases, ticket vending machines
- Public Open Space Two public plazas surrounded by retail and transit facilities
- Relocated Metro Bus Layover Plaza



# Transit – Subway Portal





### Transit – Refurbished Elevators





# Metro Rapid Bus Stop





### Transit Stats – Wilshire Vermont

- Major artery for Los Angeles transit
- Daily Bus Line Boarding Figures WV intersection
  - Wilshire 4,665
  - Vermont 4,212
- Wilshire Vermont Redline Station Ridership
  - Over 20,000 trips originated weekdays
  - Over 10,000 trips originated weekends
- Est. 10,000 pedestrians pass through WV intersection daily
- Est. 60,000 vehicles pass through WV daily



### Project Stakeholders

- Urban Partners, LLC/Polis Builders, Ltd. Development Manager
- CalPERS Owner/Investor
- Los Angeles County Metro Ground Lessor/Transit Grant Recipient
- Los Angeles Community Redevelopment Agency Entitlements (Lead Agency)/Financing Issuer
- Arquitectonica Architect
- Taisei Contractor



## Development Chronology

- Metro Board Issues Public RFP 2001
- Metro Awards Urban Partners Exclusive Negotiating Rights May 2003
- Entitlements Secured April 2003
- CDLAC Bond Allocation Received July 2003
- Ground Lease Signed November 2003
- Partnership/Debt Closing/Bond Issuance November 2003
- Construction Commenced August 2004
- Construction Completed August 2007
- Lease Up Completed August 2009



### Metro RFP

- February 2001 Metro Board agrees with community leaders to pursue private development of transit site at northeast corner of Wilshire Blvd. and Vermont Ave.
- July 2002 Metro selects Urban Partners, LLC proposal to build mixed-use development on portion of site.
- July 2002 LAUSD selected to develop middle school on remainder of site.

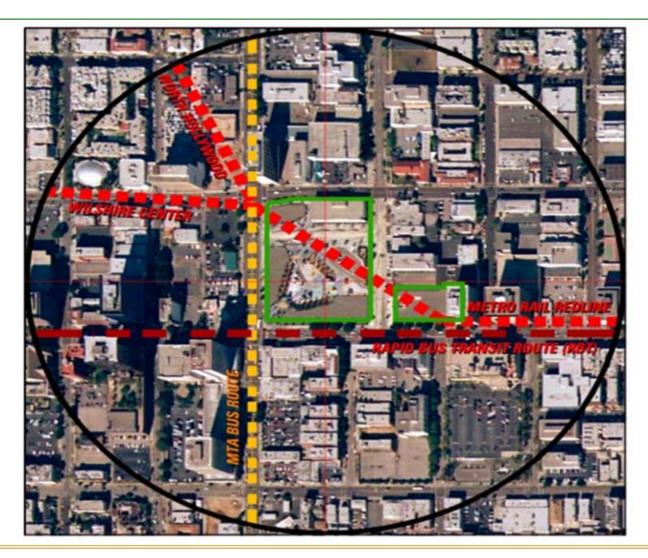


### Site Acquisition Structure

- 55 year ground lease between Metro and Developer
- Four 11 year extension options
- LAUSD acquires fee simple on remainder of property



## Site Condition - 2002



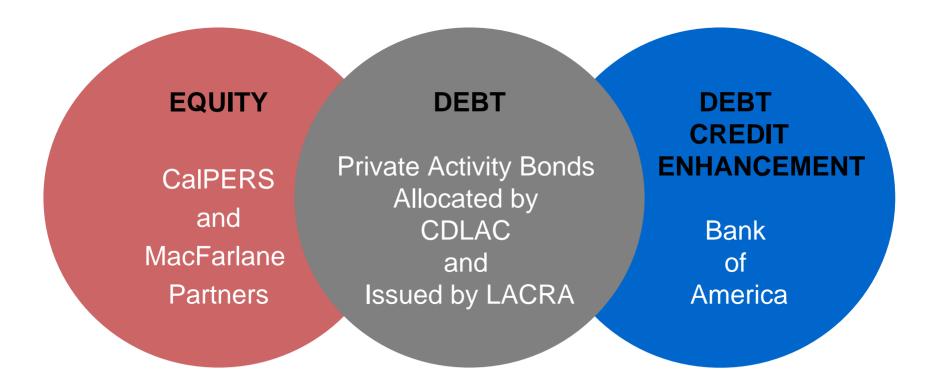


### Site Condition - 2002





# **Project Financing**





### Affordable Housing Considerations

- Affordable Housing Goals
  - Neighborhood Demographics
  - Political Pressure
- Bond Financing/Tax Credits
  - Financial Benefit for Providing Affordable
     Units
- Effective Trade Off for Developer/Public



### Project Entitlements

- EIR completed in 1995 for high-rise office development
- Wilshire Vermont leveraged existing EIR to expedite project approvals
  - LACRA acted as lead agency



## Project Design – Transit Integration

- Relocate current transit facilities to integrate into new development
  - Retrofit, refurbish and relocate elevators/escalators

- Concentrate transit patron traffic from intersection corner/bus stops to subway portal
- Create synergy between transit patron pathway and public plaza/retail shops



## Construction

Separate
 scopes of work
 - transit
 facilities
 versus private
 development

 Mixed-use structure – Type II Modified construction over Type I foundation

• 3 year schedule

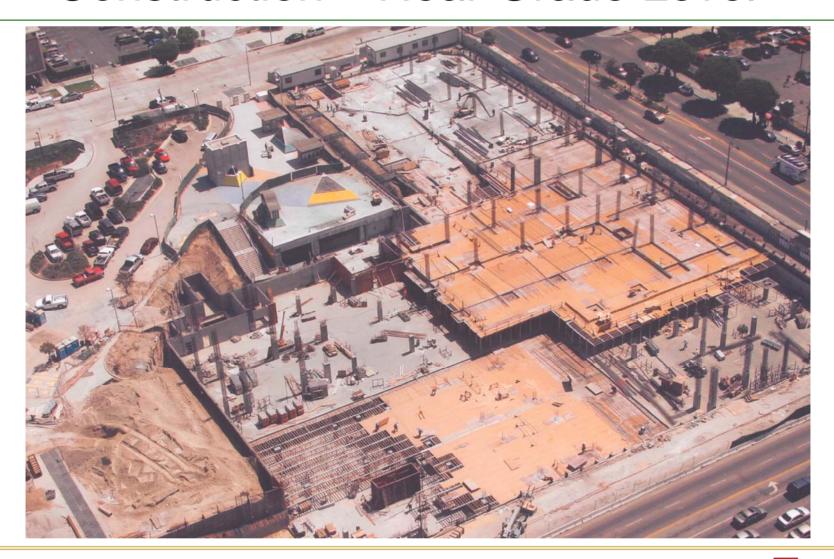


# Construction - Subterranean Garage





### Construction – Near Grade Level





# Construction – Going Vertical





# Construction – Nearing The Top





# Construction - Completion

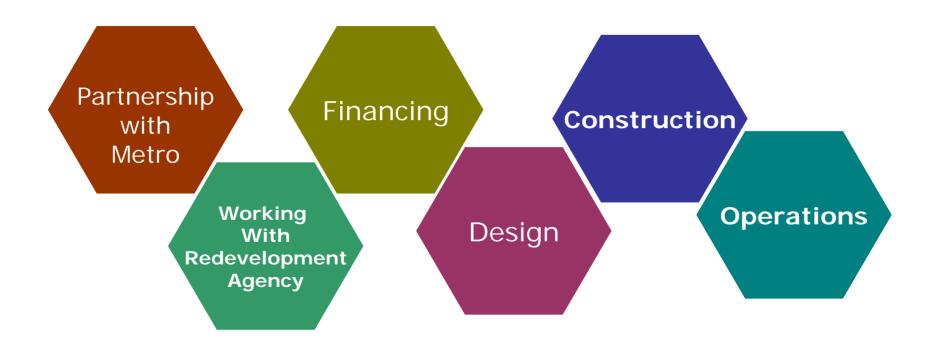




### **Operations**

- 96% leased residential (100% affordable leased)
- 77% leased retail
  - National tenants include: Chase, Nine West, Coffee Bean & Tea, Great Steak & Potato, UPS Store, Johnnies Pizza, GameStop & T-Mobile
  - Local Businesses: Nail salon, convenience store, beauty supply store, clothing stores & sushi restaurant









- Lead contact is key
- Understanding motivations
- Limiting renegotiations
- Long-term financeable ground lease
- Transit operations during construction
- Transit facility maintenance responsibility



Working With Redevelopment Agency

- Balancing information flow and trust
- Leveraging different departments





- Identifying and obtaining public monies
- Monetize tax credits
- Bond financing value
- Bond fees





- Public spaces in changing neighborhoods
- Balancing scale with market
- Monument signage





- Management resources
- Transit facility schedule impact
- Risks of fast-tracking
- Recreating plans in the midst of cost overruns





- Operations
- Leveraging public space/public traffic
- Roles of ground floor retail
- Maintenance
- New transit portal



### Questions?

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Los Angeles, Ca 90010

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Urban Land Institute tour – June 4, 2010

